Subnational Business Ready (B-READY)

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N e be 2024

WORLD BANK GROUP
Development Economics | Global Indicators

SUBNATIONAL BUSINESS READY

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2.1 Ab e S b a a B-READY P ec

Subnational B-READY uses the methodology established by the Global B-READY report, adapting it to project-specific contexts according to client needs. Subnational B-READY aims to inspire policy reforms that address disparities in the business environment and promote balanced and inclusive economic growth, job creation, and sustainability at both the country and the regional level. The project's studies highlight regulatory differences and gaps in implementing national laws while generating knowledge on good regulatory practices. By showing how and by how much a location lags in employing good practices, Subnational B-READY aims to open the door for knowledge sharing, peer-to-peer learning, and regulatory reforms.

2.2 O ga a a d Tea C

The Subnational B-READY project is led by the DEC Subnational B-READY (DECSN) unit, which is part of the Global Indicators Group within the World Bank's Development Economics Vice Presidency (DEC). DECSN consists of World Bank Group (WBG) staff, consultants, and a manager who reports to the Director of DECIG. DECSN operates from the WBG Headquarters in Washington, D.C. Subnational B-Ready projects are overseen by DECSN Manager and supported by country teams comprised of Task Team Leaders (TTLs) and topic leads. TTLs are responsible for the project setup, its implementation, and delivery. They ensure compliance with the project's timeline, oversee staff and consultants, and manage the relations with government officials, development partners and private sector stakeholders. Topic leads build the specific sets of indicators at the subnational level, lead the data collection through desk research, administrative data, expert consultation, and firm-level surveys, coordinate the work of technical consultants, and verify questionnaire responses, data entry and coding.

2.3 S b a a B-READY G e a ce, F d g A a ge e , a d F a c a I e

Subnational projects implemented by DECSN are classified as World Bank Advisory Services and Analytics (ASA) products counselors to prepare the corresponding legal documents. Typically, legal agreements with clients are for EFO or RAS. Trust Fund agreements support multi-year engagements like business environment assessments in the European Union or studies implemented within WBG programs (e.g., the Multi-Country Investment Climate Program, MCICP). The legal agreements contain obligations and commitments from all parties involved, including the project's timeline, activities, deliverables, and disbursements.

Once DECSN projects are set up, they are entered into and processed in the WB Operations Portal or IFC iPortal. Signed agreements, approvals, budgets, progress reports, mission documents, outputs, and completion reports are available on these portals to WBG staff for internal consultations.

Report Production

1. Draft the project output document.
2. Conduct internal reviews.
3. Edit and design the report.
4. Follow the formal approval process as required by WBG policies.
5. Translate the report.

Report Launch

1. Share embargoed versions with a limited number of stakeholders ahead of the publication date (other relevant WB units, ED Office, national counterpart).
2. Publish the data and report on the website.
3. Produce auxiliary documents (press release, presentations, briefs, factsheets) as applicable.
4. Print the report (if applicable).
5. Organize a launch event (if applicable).

Dissemination and Follow-Up Activities

Participate in additional targeted events to present the findings and prepare additional materials (blogs, briefs, etc.).

4. [illegible] B-[illegible]

Subnational B-READY projects are demand-driven and client-facing. The starting point for any project is a request from a national government or, occasionally, a subnational one, usually made in writing and addressed to the DECSN Manager. In some cases, the initiative may come from outside the government—a private organization, a development partner (donor), or other WBG units. Regardless of the source, DECSN seeks the government's endorsement and the appointment of a government counterpart to coordinate the project's activities. The counterparts play a crucial role in engaging local authorities and are typically ministries or other public agencies (e.g., ministries of economy, finance, development, economic advisory or reform units).

In response to the request, DECSN prepares a project proposal for the government and/or the donor (if applicable), outlining the project's objective, scope, activities, and estimated budget. DECSN works on setting up the project in accordance with the applicable WBG Policy Framework.

4.1 Identification of the Project Scope, Timeline, and Deliverables

The project's final scope, timeline, and implementation arrangements are developed in consultation and agreement with the government and the donor (if applicable). Key decisions regarding the scope include the selection of topics, selection of locations, expected deliverables, and dissemination activities.

4.1.1 Selection of Topics

In selecting topics, DECSN considers the country's policy priorities as expressed by the government and selects B-READY topics, indicators, and/or pillars that are likely to yield subnational variation in the respective economy. It explores areas of study beyond the B-READY methodology according to the country's interests and priorities. Additionally, it considers the World Bank Group's priorities for engaging with the requesting country, consistent with the Country Partnership Strategy, and takes into account donors' priorities for funding, if applicable.

4.1.2 Selection of Locations

The selection of locations for Subnational projects is usually done in collaboration with the government (and donor(s), if applicable). Projects typically focus on representative locations at population, geographic, economic, and administrative levels. Criteria for selecting locations include the interest of the client government and the donor, population (generally, > 100,000 or > 5% of the total population), economic activity (as measured by GDP per capita), regional diversity, availability of business climate information, existence of institutional and commercial infrastructure (such as Company Registrar, Land Registry, local Court, etc.), interest of public stakeholders, and synergies with other WBG operational or donor projects.

4.1.3 Expected Deliverables and Dissemination Activities and Timeline

At the project's initiation, there is an agreement with the requesting client on the project's timeline, accounting for the country's key events and political cycles. Other considerations include the Global B-READY calendar, DECIG activities and events, WBG Country Partnership Framework (CPF) milestones, and any other factors raised by the government, donors, or WBG Country Management Units (CMUs). The main deliverables of the Subnational B-READY project (dataset and a report) are also part of the agreement with the requesting client.

Subnational B-READY collects data by consulting private sector experts on the areas being benchmarked. These expert contributors are private sector professionals who regularly engage with the relevant legal arrangements, processes, and institutions providing services in specific topics. Subnational B-READY relies on the experience and expertise of a diverse network of expert contributors in the locations being measured. They provide critical input and data on the business environment at the subnational level for each of the topic areas.

The selection process and subsequent engagement of expert contributors in follow-up interviews are crucial to ensure the accuracy, reliability, and relevance of the collected data. Expert contributors are selected based on their expertise in each of the B-READY topics or other topics studied in the country. Among such experts are lawyers, notaries, accountants, architects, surveyors, engineers, and other practitioners with extensive experience in the relevant areas.

in consultation meetings or supported by administrative or statistical data. All the public agencies involved will be requested to designate a focal point, who will serve as the Subnational team's primary contact for all future requests.

5.1.2 P ac P c

To uphold the integrity of the data and protect contributors' privacy, the Subnational B-READY Team strictly limits access to contributors' details. This information is only shared with authorized team members and is never disclosed outside the scope of the project.

Subnational B-READY maintains a database of expert contributors in the secure Customer Relationship Management (CRM) system. Access to the CRM is restricted to the DECSN and DECBE teams. Information about expert contributors is gathered, processed, and stored in a manner consistent with the project's objectives and in compliance with the WBG Policy on Personal Data Privacy.

5.1.3 P e a a a d Ge e a f Q e a e

At the beginning of a Subnational project, DECSN requests the latest versions of the questionnaires from DECBE for each of the topics relevant to the country measured at the subnational level. This ensures that Subnational B-READY is up to date with the latest methodology and data updates for the measured countries. Typically, questionnaires are divided into the following sections:

- Cover page
- Data about the contributor(s)
- Privacy policy statement
- Glossary
- Section I: Regulatory framework (Pillar I)
- Section II: Public services and infrastructure (Pillar II)
- Section III: Efficiency (time and cost) as well as practical implementation of business regulatory processes (i.e. process mapping)
- Recent and upcoming reforms and changes (as applicable)

All questionnaires are adapted to the subnational context through desk research and consultation with local experts, in accordance with the Terms of Reference (TORs) and contractual arrangements with the coordinating firms. The questionnaires may be tailored to different contributor profiles. It is not always necessary for a single contributor to complete the entire questionnaire; respondents are usually required to answer sections or questions that match their specific knowledge and expertise.

For topics outside the B-READY methodology, DECSN develops a methodology and corresponding data collection tools—thematic questionnaire(s)—applicable to the sector, topic, industry, or special geographic area(s). Final versions of the questionnaires are translated into the local language, as needed.

5.1.4 D b f Q e a e

Questionnaires are administered either electronically using Survey Solutions software or, when electronic administration of the questionnaires is not feasible, Microsoft Word attachments. Questionnaires are sent to both private (through the firm and organization referred to in section in 5.1.1.1) and public sector experts.

5.2 F Le e Da a

In addition to the data collected and processed by Subnational B-READY, some topics (such as Business Location, Utility Services, and Dispute Resolution) use data collected by the WBES. The WBES collects these data by administering questionnaires to a representative sample of registered firms operating in each of the economies. For more information on the data collection exercise conducted by the WBES program, please refer to the WBES Manual and Guide.

5.3 Data Coding

Once each survey is received, a copy of the completed survey is stored in a secure online platform. When contributors fill out the questionnaire in MS Word format, team members manually enter the data into the coding sheet; the coded data are then cross-checked by other team members.

Anonymized responses are imported into standardized topic-specific templates—Excel coding sheets—managed by Project TTLs. These coding sheets allow for systematic data entry and storage, generating the economy level response per question. The tool facilitates the data review and validation processes, as described in the following sections. The coding files are also used to record all follow-up done with expert contributors, documenting the internal decision-making processes on a datapoint level. At least three private sector questionnaires need to be received from each measured topic in each city for the team to be able to code the data.

5.4 Data Review

After the data from respondents are recorded and validated at question level, the topic teams review it for any contradictory (e.g., a response to one question is contradictory to the response to another similar question in the same questionnaire), inconsistent (e.g., inconsistency between two respondents from the same city), inconclusive (e.g., the response does not provide complete information), or outlier data points (e.g., the response is very different compared to the other responses).

To resolve these issues and better understand the underlying business regulatory processes, DECSN topic teams engage in several rounds of follow-up with the contributors. These interactions can take the form of conference calls, written correspondence, and online or in-person meetings. The detailed information obtained through these interactions is used by the DECSN topic teams to update the data. All contributor interactions are thoroughly documented in the scoring sheets.

5.4.1 Recoding of Information by Expert Contributors

If during the data review process, it is determined that the contributor made a mistake or misunderstood the question, the team member conducting the interview can update the initial answer. All evidence justifying the change(s) is recorded in the coding tool to track the decision-making process, rationale, and approvals. Topic leads and supervisors must sign off on all data changes for them to be final.

If the data collected through the questionnaires or follow-ups is of poor quality or misleading, DECSN data reviewers can determine to remove an individual response from the median. For example, responses to questions on which there is evidence that the contributor does not have direct knowledge (e.g., a question about a government platform restricted to notaries, where responses from lawyers can be removed from the median). Secondary evidence and desk research are extensively used in the follow-up and data verification processes.

5.5 Data Validation

Expert contributors from the private sector are the primary source of data. Public entities are invited to complete questionnaires, which are subsequently used for data validation purposes and recoding if applicable. The data received from private sector contributors is analyzed against various resources:

1. **Publicly Available Information:**
    - Laws and regulations (Pillar I - Regulations).
    - Online platforms and websites (Pillar II – Public Services).
    - Fee schedules for public services and publicly available administrative data (Pillar III – Operational Efficiency).
2. **Public Sector Data Obtained Through:**
    - Questionnaires completed by public sector representatives.
    - Meetings organized as part of data validation missions.
    - Statistical and/or administrative data received from public agencies.

3. Global B-READY Data:

- The most recent published dataset for the country.
- Ongoing data collection cycle for all data points in the largest city of the economy and data points with national applications for other cities.

Once the coding sheets are finalized by the DECSN Team after data validation, the economy-level responses are imported from the coding sheets into a data management and processing software. The software performs another round of automated data quality checks, flagging inconsistent or highly divergent responses. The Team reviews all the remaining flagged cases and after further follow-up and final decisions the data are "frozen" for further processing.

5.6 Scoring

Based on the established B-READY methodology, the question-level data are converted into indicator, subcategory, category, pillar, and topic scores. For all B-READY topics, Subnational B-READY follows the scoring rules detailed in the B-READY Methodological Handbook, with adaptations applied based on the project context. The scoring is based on the coding scripts developed by the DECBE and DECIG data analysis teams and modified to meet the DECSN requirements—specifically, adapting to the DECSN data input and folder structure, applying DECSN methodology exceptions, and modifying the output structure. Once the scores are obtained, scoring tables at the topic and country level are generated for use by the DECSN topic and country teams to produce project documents and other outputs.

5.7 Report Review and Approval

For review and approval, Subnational B-READY reports are subject to unit, departmental, and corporate processes. The reports undergo several layers of revision, starting with topic chapters typically commented on by the experts across the WBG (in-country specialists or topic experts within the global practices). A second review is conducted by the DECSN Manager and DECIG Front Office, followed by a final review by peer reviewers within the Data Review Meeting (DRM) discussion and concurrence process.

5.7.1 Decision Review Meeting (DRM)

Within the framework of a World Bank's ASA, each Subnational B-READY project/report should be subject to a DRM. The DRM is a structured meeting where stakeholders gather to review and assess a specific deliverable before it is finalized and approved. The DRM date is determined through consultation with the Country Director/Manager or DECIG Director, who serves as the meeting chair. The Subnational B-READY report must be approved by the DECIG Director as "ready for DRM" prior to being shared externally.

5.7.1.1 Peer Review of Project Outputs

The project team should select 3-5 official peer reviewers who commit to reading and reviewing the entire report and providing feedback in writing. The Subnational B-READY draft report, under embargo, is shared with these reviewers two weeks prior to the DRM. Peer reviewers are expected to submit their comments at least two days before the DRM. Besides the official peer reviewers, the report can be shared with other relevant WBG colleagues (working in the country or within DECIG) who may also provide feedback. The peer reviewers should participate in the DRM, as their expert guidance might be required to provide additional insight on the comments or other project-related matters. All peer-reviewed feedback is recorded in the WB Operations Portal or the IFC AS Portal.

5.7.1.2 DRM-Related Documentation

Additionally, the invitation should contain clear instructions on how recipients can request a copy of the embargoed draft report, the deadline for providing comments, and instructions on how to submit comments.

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6.1 C e

The completion and closure of a Subnational B-READY project occur after the deliverables have been shared with the client and the dissemination activities are concluded.

6.2 F - P Ac e

.1 C d a DECBE

.1.3 DECSN a d DECBE C d a A a ge e f Da a C ec

Before a DECSN project starts, the relevant Global B-READY Topic Leads alert the DECSN Topic Leads of any data issues that might require further follow up and provide the DECSN Topic Leads with any documentation deemed relevant for the upcoming data collection.

7.1.3.1 Change f Me h d l g b B-READY

The DECSN Team has access to the Global Methodology Handbook. If the B-READY Team makes any amendments to its methodology, the relevant B-READY Topic Lead promptly sends the updated topic methodology note to the DECSN Manager and relevant DECSN Topic Lead, highlighting the changes.

To ensure the consistent application of methodology and scoring, the B-READY and DECSN project team (Topic and or country Lead) will arrange one or several coordination meetings throughout the data collection cycle.

7.1.3.2 Da a E change be een DECSN and he B-READY Team

To ensure consistency across data produced by DECIG units, DECSN coordinates with B-READY on the data published for cities that fall within the scope of both projects, aiming for consistent data whenever possible. For instance, B-READY utilizes DECSN inputs as part of its data validation process, and vice versa.

B-READY and DECSN hold several coordination meetings during a B-READY cycle to address potential data discrepancies during the DECSN data collection period. DECSN colleagues are invited to participate in B-READY topic-specific data review meetings.

If a DECSN report is published between two B-READY reports and includes more up-to-date data than what B-READY has published on its website, an explanatory note is added to the DECSN website.

7.1.3.3 C -S O ni ie be een DECBE and DECSN

Cross-support is permitted between the two units with the consent of the DECBE and DECSN Managers. When necessary, resources such as staff, headcount, and budget can be reallocated between the units to maximize efficiency and impact, and to accommodate the variability in the demand for DECSN's services. At least one B-READY team member should be nominated as a peer reviewer for each DECSN report and should also participate in the DECSN Report's Decision Review Meeting.

Table 1. Global B-READY and Subnational B-READY Comparison

	Global B-READY	Subnational B-READY
Type	WBG Annual Flagship	Demand-Driven
Frequency	Annual	Not regularly produced
Type of WBG product	Global ASA	Regional or Country ASA; IFC AS product
Geographic scope	In general, nationally representative. In some cases, where geographic parameters are needed, the most populous business city in each economy.	Several cities in an economy or a group of countries.
Topic scope	Ten topics along a firm's lifecycle.	Selected B-READY topics that are likely to yield variation within a national jurisdiction. Additional topics not measured by B-READY, but which are relevant for a particular country's private sector.
	Each topic is assessed along three pillars: quality of regulations, quality of public services, and operational efficiency.	Preliminary research is conducted on a country basis to determine whether all pillars can show subnational variation.
	Operational Efficiency pillar is standardized and focuses on measuring the time and cost of determined processes. The data is based on the overall time and cost indicated by the respondents.	Operational Efficiency pillar research is extended and deepened through detailed process mapping. Process mapping consists of identifying every step of the process and its associated time and cost, which are then used to calculate the overall time and cost.
Data collection	Questionnaires in six main WB languages.	Questionnaires translated into at least one local language of a surveyed country.
	Questionnaires are standardized across economies.	Questionnaires allow some degree of flexibility to capture a specific country context.
	Questionnaires are distributed exclusively through a survey software.	Questionnaires are by default distributed through a survey software; but when electronic administration and filing is not feasible, they can be distributed and completed in other formats.
	Contributors' inputs collected only through questionnaires.	Contributors' inputs collected through multiple methods (questionnaires, in-depth interviews, email exchanges).
Data review and data [illegible]	Only contributors can change their input.	Subnational team members can change an input in the records in accordance with the DECSN coding rules.
	Results based strictly on private sector experts' input and cannot be modified.	Results are based on mixed methods of research consisting of questionnaires, interviews with private sector, desk research. Hence, results based on private sector inputs can be modified based on hard evidence and the process is properly documented.
Data validation	In the data validation process, government-nominated experts in each topic answer the same questionnaires that are sent to private sector experts, and their answers are used to validate private sector answers.	In the data validation process, the team conducts several in-depth interviews with public sector experts for each topic.
Output	Dataset, report, and country profiles published annually in English.	Dataset, report, and city profiles are published at the end of each round in English; if applicable, also a local language(s).
Data source	Data sources are set as described in the B-READY Methodology Handbook.	Expert data can substitute for Enterprise Survey data when regional coverage in the latter is insufficient.
Scoring	Indicators are set as described in the B-READY Methodology Handbook.	Indicators can be modified or dropped in the scoring phase based on regional data availability or relevance to the project.

.2 C d a DECEA

The Enterprise Analysis Unit (DECEA) is the World Bank unit responsible for producing the World Bank Enterprise Surveys (WBES). The WBES are firm-level surveys that cover a representative sample of an economy's private sector. They collect data on firm characteristics and performance, as well as a broad range of business environment topics, including access to finance, corruption, infrastructure, crime, regulations, and competition. As part of its mandate, WBES collects data for the firm-level questions of the B-READY report. This data collection has the potential to obtain data that is representative at the regional or city level, which can be used in Subnational B-READY reports.

At the management level, coordination occurs through regular collaboration between the DECSN Manager and the DECEA Manager. They frequently discuss ongoing and upcoming projects and timelines. This coordination aims to ensure that project schedules align, allowing Subnational B-READY reports to incorporate regional WBES data.

The B-READY Subnational Team also contributes to the enhancement of the WBES questionnaire by participating in the review process conducted by DECEA, alongside the Global B-READY Topic Teams. Regarding the use and management of WBES data, DECEA provides DECSN with access to partial firm-level data under applicable privacy protocols. Additionally, DECEA assists DECSN in setting up data organization, data cleaning (if necessary), and data processing.

8. C

8.1 Integrity

The quality and value of the Subnational B-READY project and report rest on their impartiality and independence, and the integrity of the data that underlie them, as well as the integrity of Subnational B-READY Team members.

8.1.1 Integrity of the WBG and Staff: Core Values and Code of Ethics

The Subnational B-Ready Team adheres to the WBG Core Values—Impact, Integrity, Respect, Teamwork, and Innovation—and abide by the WBG Code of Ethics. Subnational B-READY Team members must (1) complete a mandatory e-learning on the Code of Ethics and Core Values made available by the Ethics and Business Conduct Department, and (2) attend training provided by the Ethics and Business Conduct Department (EBC) Team.

8.1.1.1 Avoiding Conflicts of Interest

While fulfilling their contractual responsibilities with the WBG, Subnational B-READY Team members are bound by all the WBG rules and regulations. They must maintain their independence by not accepting any instructions related to their duties from any governments, entities, or persons external to the WBG (see Article V, Section 5c of the IBRD Articles of Agreement).

Working on Subnational B-READY research involves interacting with stakeholders with varying interests, which can raise concerns about conflicts of interest when team members receive instructions beyond the scope of their assignments. Subnational B-READY Team members who need guidance on conflict-of-interest concerns should consult directly with the DECSN Manager, DECIG Director, and, if needed, EBC.

In the context of drafting or revising the Subnational B-READY report, a conflict of interest arises in any situation where a team member's professional commitment to integrity, independence, and competence is compromised because:

1. It is in the personal interest of the team member not to uphold these standards, or
2. The team members believe it is in their personal interest not to uphold these standards, even if it is not actually the case.

8.1.1.2 Managing Conflicts of Interest

Subnational B-READY staff members are required to inform their manager of all concurrent assignments, including other WBG assignments. For more information on outside employment and activities, see Staff Rule 3.02 [Employment outside the WBG] and consult with EBC. Section 3 of the Principle of Staff Employment policy also obligates Subnational B-READY Team members to avoid actual and perceived conflicts of interest.

Subnational B-READY Team members may undertake cross-support assignments with the approval of the DECSN Manager. The DECSN Manager is responsible for assessing potential conflicts of interest that may arise from proposed cross-support assignments.

8.1.1.3 Ownership and Use of Material

All materials produced or acquired during Subnational B-READY assignments—whether written, graphic, film, video recordings, or otherwise—remain the property of the WBG. The WBG retains ownership, copyright, and the right to publish or disseminate these materials in all languages. Subnational B-READY Team members may not personally or privately use information acquired during their assignments with DECSN unless authorized in accordance with WBG staff rules. Team members wishing to use WBG information for personal writing and publication must consult with EBC or ECR for the relevant policies.

8.2 General Rules Regarding Personal and Professional Ethics

Many issues of professional ethics center either on conflicts of interest or interpersonal conflicts between colleagues. Subnational B-READY Team members are encouraged to consult EBC for confidential consultations and guidance to ensure that their personal and professional activities are in compliance with the WBG's staff rules and policies.

8.3 Maintaining Integrity in the Workplace

The WBG provides Subnational B-READY Team members with comprehensive services through the Ethics and Internal Justice (EIJ) to confidentially support the resolution of their concerns. These services range from counseling to formal review and investigation to ensure fairness in the workplace. All Subnational B-READY Team members, including former team members, managers, and consultants, can access Ethics and Internal Justice resources.

8.4 Dealing with Undue Pressure on Subnational B-READY Data

EBC advises on protecting the project from undue influence by internal and external stakeholders and provides resources for the Subnational B-READY Team to report any perceived undue influence. Additionally, EBC offers guidance to avoid potential conflicts of interest within the Subnational B-READY Team and in its interactions with the rest of the WBG.